

## THE MONTH IN FOCUS

## BREAKING NEWS

Yet more domain names, such as .biz and .eu, are being issued, but are you being ripped off to get them? Also, BT's price drop is all very well but it has increased some installation costs. Let's hope the cuts help Britain out of the broadband doldrums.

Visit [www.pcadvisor.co.uk/news](http://www.pcadvisor.co.uk/news) for the latest developments.

## OTHER NEWS

## 20 PC World breaks privacy again

Dixons Stores Group is still failing to wipe hard drives of returned PCs, while the Data Protection Act is not doing enough to stop it.

## 20 Small victory, long battle

Tiny's takeover is another pebble in AMD's slingshot, but Intel's Goliath is a long way from falling.

## 22 DTI in stats spin shocker

The government is playing around with how it presents the number of connected small firms – by removing them altogether.

## 24 TV ad body slaps PC World

PC World appears in our news pages twice this month, this time for making misleading claims in adverts.

## 24 Stinger is shot across the bows

Microsoft and a group of hardware firms have finally delivered the Stinger PDA (personal digital assistant) phone – and it looks great.

## Dixons does it again

PC World's most recent privacy breach exposes major flaws in the law designed to protect you

Dixons Stores Group has once again been caught potentially breaching the Data Protection Act 1998 (see *ConsumerWatch*, page 40). But the act, it transpires, is deeply flawed in favour of such action.

The Information Commissioner, who enforces the Data Protection Act, has also admitted that PC World, like other retailers, is not even legally obliged to report privacy breaches. Nor is the Commissioner required to investigate complaints unless they come from victims of such behaviour. But these people will probably never even know they are victims.

PC Advisor reader Mr Patterson bought a replacement hard drive from his local branch of PC World only to discover it contained personal and business data belonging to someone else. After gathering irrefutable evidence that the hard drive had a previous owner, he contacted the Information Commissioner.

But the Information Commissioner wasn't interested. According to Section 42 of the Data Protection Act, the person whose data has been compromised has to report the incident.

As Mr Patterson's personal data had not been disclosed in any way, the Information Commissioner would not initiate an investigation into the matter. Mr Patterson then decided to bring the matter to *PC Advisor's* attention.

Dixons Stores Group issued a statement to *PC Advisor*. "We are sorry

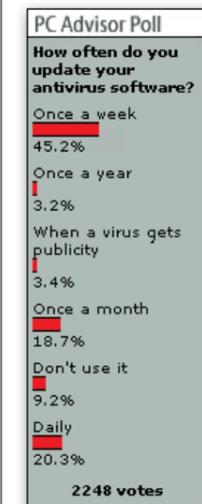


to hear that a spare part has apparently been supplied without our mandatory reconditioning taking place," it said.

Elizabeth Dunn, compliance manager at the Information Commissioner, confirmed that under the terms of the act only a complaint from the person who is directly affected by the disclosure of the data, or someone acting on their behalf, can trigger an investigation. She did, however, intimate that this is not an ideal rule to apply in every case. "It is something that we are looking at," she said.

When asked what a customer should do if they found someone else's data on any item they purchase, she recommended reporting it to the reseller – in this case the PC World store in Aintree, Liverpool.

## Readers not protected



A *PC Advisor* online poll, which asked readers how often they updated antivirus and security software, gave chilling results – only one in five voters said they updated their software daily.

According to one antivirus expert daily updating is essential to a healthy system, though he added that times have moved on from the days when simple regular updates will save you from virus exposure.

In our poll *PC Advisor* readers showed a healthy scepticism when it comes to knee-jerk reactions – 3.4 percent of respondents said they updated only when a virus gets publicity. Nearly half of voters (45.2 percent) said they updated their software just once a week.

Our poll garnered 2,248 votes, which makes for a good sample, and revealed some shocking results. Almost one in 10 voters (9.2 percent) don't use any antivirus software, while 18.7 percent of voters only update once a month.

Andre Post, senior researcher at Symantec's Security Response centre, says not only are weekly updates not enough, but viruses are now so advanced it's vital to constantly update your antivirus software with the latest security patches to ensure your information isn't wiped out.

"Last year our motto was 'update, update, update' but this year the new message is 'patch, patch, patch'," said Post. "Patch security vulnerabilities for your software as often as possible."

## More than a Tiny blow for Intel

Intel looks to be the loser after Tiny's demise, as featured in last month's issue. Tiny was an Intel-only manufacturer for most of its lifetime, whereas Time remains AMD's biggest customer in the UK. Now that Time has taken over the Tiny brand, Intel has taken a blow.

Time plans to keep the Tiny brand going, at least in name, but it seems inevitable that many Tiny PCs will no longer have an Intel inside. Colin Middlemiss, spokesman for Time, confirmed that "some" of the new Tiny-branded PCs will have AMD chips in them. Tiny, which initially only used Intel processors, briefly flirted with AMD in September 2000, but phased out all AMD products by July 2001 to resume its exclusive relationship with Intel. Currently only 15 percent of Time's PCs have Intel processors in them, but Middlemiss would not say whether this will be the same for the new Tiny units. "There are many decisions yet to be taken," he told *PC Advisor*.

Industry insiders believe that the company created by the takeover will be a major force in the UK PC market. "In theory the combined Tiny/Time partnership will be a significant player in the home PC market," acknowledged Con Mallon, Packard Bell's country manager for UK and Ireland. Packard Bell, which only sells its products in Dixons Stores Group outlets, may find this new company challenging for its business in the near future.

## BT slashes cost of broadband

Affordable broadband internet access is at last on the way. BT has finally unveiled long-awaited cuts in the price of its wholesale broadband service in the UK. Wholesale line rental – which is what ISPs pay BT for bandwidth – will drop from £25 to £14.75 a month from 1 April, a decrease of nearly £15. How this affects end-user prices will depend on how much of the 40 percent cut the ISPs hand down to their customers.

BTopenworld has dropped its consumer/home office pricing, but as it's still making 100 percent profit this doesn't sound like the great deal the consumer should be getting. BTopenworld pricing is now £29.99 per month for existing Home 500 and Business 500 customers.

At the other end of the spectrum Pipex has announced price cuts from 1 April of £10 a month to its broadband service, Xtreme. Customers will now be charged £23 a month. PlusNet will also reduce the monthly charge for its 12-month contract self-install Home ADSL service to £23,

down from £35.25. But its Home ADSL accounts will no longer have a domain name included. This will be an optional extra with a charge of £2 (ex VAT) per month, per domain.

"[We] have lobbied long and hard for BT to reduce wholesale pricing, and we can now offer broadband to consumers at a price that will drive high levels of take up," said John Pluthero, chief executive of Freeserve. Freeserve said it would release pricing details nearer to April.

"We are presently examining the details, but it's already clear that this takes us much closer to the dawn of broadband Britain," said AOL's chief executive Karen Thomson.

Telewest's Blueyonder broadband service, which is based on its own cable network, not BT ADSL, is already £25 a

Latest news from BTopenworld

**BROADBANDpress**

**BTOPENWORLD SLASHES BROADBAND PRICES AND ANNOUNCES SPECIAL OFFER FOR ITS NEW SELF INSTALL PRODUCT - PLUG & GO**

Today, 27th February 2002, BTopenworld has announced major cuts to broadband prices, plus plans to launch our self install product 'Plug & Go' with a free line activation offer.

BTopenworld will launch Plug & Go on the 5th March 2002, with a free activation offer, saving the £65.00 activation charge for orders received up to 31st May 2002, making broadband prices even lower. Plug & Go monthly rental will be £29.99 and there will be a one off equipment charge of £15.00.

From 1st April 2002, BTopenworld is also pleased to announce that the price of our current broadband products will fall from £39.99 to just £29.99 a month for our existing Home 500 and Business 500 customers. We have also cut our rental price for business customers on multi-user products. Business 500PLUS is now £79.99 per month, Business 1000PLUS is now £119.99 per month and Business 2000PLUS £149.99 per month.

Great news for new and existing BTopenworld broadband customers!

**BTopenworld** PRODUCTS AVAILABILITY PRICING ORDER

month and the company has no plans at this stage to cut prices.

"So far, with our cable colleagues at NTL, we have connected more broadband customers than BT," said Adam Singer, group chief executive at Telewest. "Using the technical superiority of our cable network we are going to play full-contact broadband with BT and will keep raising our speed until they run out of puff."

BT said it could afford the price cuts because, basically, its technical costs had come down. It denied it had initially been overcharging for its services.

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To find out what's going in the world of IT, with stories from all over the world, log on to [www.pcadvisor.co.uk/news](http://www.pcadvisor.co.uk/news).



## DTI massaging small firm online numbers

It seems the government has been massaging the figures for the number of small businesses getting hooked up to the internet. Disparity between figures published by the DTI (Department of Trade and Industry) and telco watchdog Ofcom in October and November last year suggest that the government may be exaggerating the proportion of small businesses that are connected to the internet.

**“Wrong” to say businesses with 10 or less people are too small to be ‘small’**

The DTI reckons that 91 percent of small businesses were connected to the web by 2001, whereas Ofcom's picture is a more parlous affair at 60 percent.

The reason for the gap is that the DTI doesn't call a business with between one and 10 employees a small business, but

instead calls it a micro business. A small business, according to the DTI, has between 10 and 49 employees. But Ofcom classifies a small business as having anywhere between one and 50 employees.

Dr Richard Wilson of the Institute of Directors said it was “disingenuous” and “wrong” to miss businesses with between one and 10 employees out of the small business category.

Businesses with up to 10 employees make up 86 percent of smaller firms, referred to as SMEs (or small- to medium-sized businesses), by the government, according to Ofcom. By excluding these companies from its small business category, the DTI has painted a picture far more rosy than Ofcom's.

## Oz says yes to wireless web, but we say no

Australia's minister for communications is investigating the possibility of using wireless technology as a solution to the 'last mile' problem. But the UK has ruled out this option. Local loop unbundling has caused havoc in the UK, as well as in Australia, but things are improving. In the UK, BT has now opened up the so-called 'last mile' to competitors through fixed line leasing schemes and finally reduced its prices.

But there are inherent security problems with wireless networking which rule it out as a viable answer to the 'last mile' problem, according to researchers at AT&T Labs in Cambridge. The current IEEE 802.11 international wireless standard cannot be deployed on a large scale, they say.

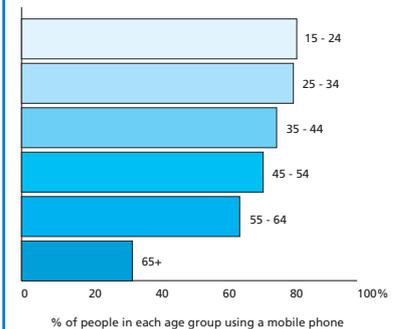
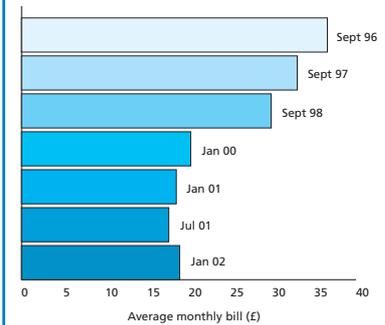
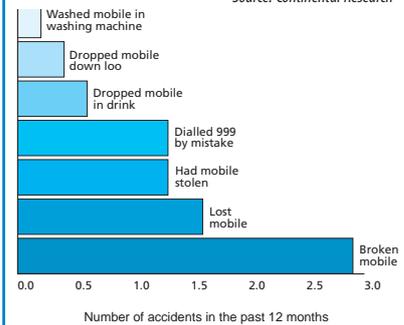
“You need a certain number of channels for the frequencies not to interfere with each other,” said Quentin Stafford-Fraser, research scientist at AT&T Labs. “IEEE 802.11 has about four channels. With such a limited number of channels, areas of coverage overlap. It can still be made to work, but not as successfully.”

There are also worries over security. Hackers can tap into transmissions more easily without having to know the origin of the message. “You could sit outside in a van and just tap into a wireless network, but most wireless networks nowadays do have their own encryption built in,” said Stafford-Fraser.

## OUR LIVES IN NUMBERS: mobile phones

Though most of us worry about getting our mobile phones stolen, especially now ever more people are using handheld PCs and PDAs, you're far more likely to lose it yourself. You also run the risk of chucking it down the toilet. Of course there's more to these figures than meets the eye, so for further information turn to *Behind the news* on page 32.

Source: Continental Research



### news in brief news in brief

#### Cooling news

Hitachi has developed a prototype notebook PC that uses a water-based solution to cool down its Pentium 4 processor. As a solution passes through a tube over the processor its temperature can reach 60 degrees celsius. The hot solution is then sent to the display part of the notebook, where the heat is released. By repeating this cycle, the system cools down the chips, a Hitachi spokesperson said.

#### RSA secure

Aiming to make internet transactions using Palm's handheld devices more secure, RSA Security has introduced the company's first security product for Palm. The RSA BSafe/Micro Edition for built-in SSL (secure sockets layer) and virtual private network support will be embedded in Palm OS 5.0. RSA was formed by the three men who invented asymmetric encryption, or public-key cryptography.

#### Optical networks

IBM says it has developed the world's fastest semiconductor circuit, running at 110GHz. The company developed it using a new variant of SiGe (silicon germanium) technology, SiGe 8HP. “Ring oscillators, although not typically used in products, are an ideal way to gauge the technology”, said IBM. It will be used in optical-networking circuits to increase network speeds, “giving up to 100Gbps [gigabits per second]”.

#### WUBMV?

Our love affair with the mobile continues as an astonishing number of Brits chose text messages to ask ‘Will you be my Valentine?’. According to a study released by Virgin Mobile, users in the UK sent 50 million text messages on Valentine's Day last year; in 2002 the total was expected to top 80 million.



## PC World loses over TV ad internet claim

PC World got its knuckles rapped in February when TV and radio advertising watchdog the iTC announced it had upheld a complaint against the firm for making 'misleading' claims in TV ads. The ad, broadcast in November 2001 for a Packard Bell 2GHz Pentium 4, was deemed misleading by the iTC because it claimed that potential buyers would experience 'faster internet' due to the use of a Pentium 4 chip.

Nearly 150 people felt strongly enough to complain to the iTC or the ASA (Advertising Standards Authority) about the advertisement. The iTC asked PC World to suspend the advert until its investigation was complete. Now that the iTC has upheld the complaint the ad will not be shown again. PC World had "no comment" about the decision.

According to the documents *PC Advisor* has seen, when the complaint was first brought to PC World the firm objected, saying "several combined factors influence the overall internet experience", which is true, but it doesn't actually say much. The retailer went on to say that "the phonenumber and modem govern the speed of the internet connection".

## FLASHBACK

### This time last year...

Having spent between £4bn and £6bn each for 3G (next-generation mobile phone network) licences, the five UK operators suddenly woke up to the fact they were unlikely to see a return on their investments any time soon. By May 2001, industry pundits were openly discussing how the operators had overpaid. Telecomms consultancy Northstream rolled out a report saying the operators would have to spend a further £16bn building 3G networks before anyone could even begin using the services.

Risk analysts at the research arm of bean-counter KPMG found that less than a fifth of the current population of mobile phone owners were interested in buying an internet-capable phone – a reasonably healthy five million people then, but even that was a vast over-estimate. Meanwhile, research firm Jupiter predicted 3G handsets will only start to make inroads between 2003 and 2005. Yup, we're still waiting.

While the network operators pointed to huge revenues from data traffic they promised their shareholders they'd make, research firm Forrester popped the bubble with a convincing report saying revenues would not rise but would fall dramatically due to price cutting. The telecoms sector has been on the slide ever since.

### Five years ago...

Intel launched the Pentium II on 7 May accompanied by 17 vendors, including Dell, IBM, HP, Gateway (since retired hurt from the UK) and Digital (since swallowed by Compaq), sporting Pentium II-based systems with starting prices from £1,600 ex VAT. The Pentium II zipped along at the groundbreaking speed of 300MHz.

### 10 years ago...

Wolfenstein 3D was developed by id Software.

This blocky, FPS (first-person shooter) was banned in several countries because it contained Nazi insignia, but it still altered the world of PC-based games forever. Jon Romero, id's founder, went on to write Doom a year later and then Quake, changing the face of office productivity forever.



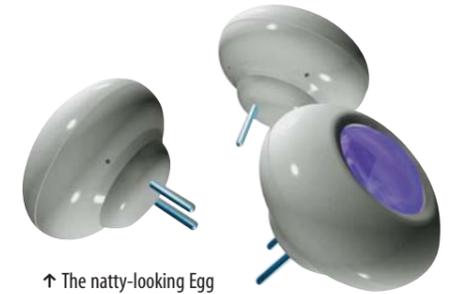
## Ideal Home Show

By the time you read this, the *Daily Mail's* annual home extravaganza will be in full swing at London's Earl's Court. If you haven't got down to the exhibition centre yet, then you have until 1 April to get your act together.

Once there, avoid the displays of overpriced marble furniture and flatpack showhomes and head straight to the concept products. These are gizmos you could be using in the not-too-distant future and you can even vote for your favourite to help it reach that goal.

Our picks for mass production include the Egg Plug (pictured right), a rubberised plug which can withstand being kicked by those too lazy to bend down and plug it in properly, or those with bad backs who

← Bath-Butler (top) always knows how warm you like your dip, while the Wine Bottle Desk Lamp uses 40 percent of the energy of a normal 60 Watt bulb



↑ The natty-looking Egg Plug is a ruggedised version of a standard electrical plug with a built-in light bulb

can't. It's also got a built-in bulb which makes it an ideal low-energy nightlight.

We also like the look of the solar-powered lighting unit called Solsken concealed in a Venetian blind. The batteries charge during the day and, in the evening the LEDs illuminate, producing a moonlight effect for up to seven hours.

Finally, scalding or freezing baths could be a thing of the past with the Bath-Butler (pictured top, left) which stores details of individual's preferences for that elusive perfect water temperature.

To see these and other innovative designs, check out the website at [www.idealhomeshow.co.uk](http://www.idealhomeshow.co.uk) or order your tickets by calling 0870 606 6080.

## Not so 'unbreakable'?

Despite advertising claims by Oracle that its Oracle9i database is 'unbreakable', a UK security firm says it has found cracks in the software. Several security flaws were discovered, including one that could allow a hacker to gain access to Oracle's database server without a user ID or password. The holes were detected by Next Generation Security Software ([www.nextgenss.com/advisories](http://www.nextgenss.com/advisories)) in Sutton, Surrey.

Oracle said that it was first informed about the flaws in December and has already made patches and workarounds available online (go to <http://otn.oracle.com/deploy/security/alerts.htm>). "No Oracle customers have reported issues stemming from these bugs," the company said in a statement. David Litchfield, co-founder of Next Generation, gave details of the holes after announcing in December that he had found them. Litchfield is expected to present a paper on his work at an upcoming Black Hat security conference, according to an Oracle spokeswoman.

## Microsoft launches Stinger at competition

Microsoft and its manufacturing partners debuted gadgets based on its new Wireless Pocket PC platform at the GSM World Congress in February. The Pocket PC 2002 Phone Edition and the Windows-Powered Smartphone 2002 device, previously codenamed Stinger, will go on sale in Europe by the end of June.

The Smartphone devices are primarily mobile phones with some PDA (personal digital assistant) functions, while the new Pocket PCs are PDAs that act as mobile phones, said Magnus Ahlberg, Microsoft's mobile marketing manager.

Carriers that sell the Pocket PC 2002 Phone Edition devices will most likely use their own brand names. The first branded Pocket PC 2002 Phone Edition devices will be the HP Jornada 928 WDA (wireless digital assistant) and the XDA from O2, originally called BT Wireless.

The carriers that will brand the various devices will release prices for the products shortly, Ahlberg said, though he expected the devices would be competitively priced to put it on par with products already on the market.

